

MINUTES OF THE  
MAG MANAGEMENT COMMITTEE MEETING  
January 11, 2006  
MAG Office Building - Saguaro Room  
Phoenix, Arizona

MEMBERS ATTENDING

Dana Tranberg for Ed Beasley, Glendale, Chair	Mark Johnson, Guadalupe
Jan Dolan, Scottsdale, Vice Chair	Darryl Crossman, Litchfield Park
* George Hoffman, Apache Junction	Christopher Brady, Mesa
Charlie McClendon, Avondale	* Tom Martinsen, Paradise Valley
Carroll Reynolds, Buckeye	Terry Ellis, Peoria
* Jon Pearson, Carefree	Frank Fairbanks, Phoenix
* Usama Abujbarah, Cave Creek	# Cynthia Seelhammer, Queen Creek
Patrice Kraus for Mark Pentz, Chandler	* Bryan Meyers, Salt River
B.J. Cornwall, El Mirage	Pima-Maricopa Indian Community
Alfonso Rodriguez for Orlando Moreno, Fort McDowell Yavapai Nation	Jim Rumpeltes, Surprise
Tim Pickering, Fountain Hills	Amber Wakeman for Will Manley, Tempe
* Lynn Farmer, Gila Bend	* Reyes Medrano, Tolleson
Urban Giff, Gila River Indian Community	* Shane Dille, Wickenburg
George Pettit, Gilbert	Mark Fooks, Youngtown
Stephen Cleveland, Goodyear	Dale Buskirk for Victor Mendez, ADOT
	David Smith, Maricopa County
	David Boggs, Valley Metro/RPTA

\* Those members neither present nor represented by proxy.

# Participated by telephone conference call.

+ Participated by videoconference call.

1. Call to Order

The meeting was called to order by Vice Chair Jan Dolan at 12:10 p.m.

2. Pledge of Allegiance

The Pledge of Allegiance was recited.

Vice Chair Dolan announced that Cynthia Seelhammer was attending via teleconference. She introduced and welcomed Christopher Brady, the new Mesa City Manager, to the Committee. Chair Dolan stated that agenda item #5M was removed from the agenda due to not receiving the public accounting firm's opinion. She added that this item will be on the February agenda. Vice Chair Dolan stated that transit tickets were available from Valley Metro/RPTA for those using transit to come to the meeting. Parking validation was available from MAG staff for those who

parked in the parking garage. Vice Chair Dolan stated that materials for agenda items #6 and #7 were at each member's place.

3. Call to the Audience

Vice Chair Dolan stated that Call to the Audience provides an opportunity to the public to address the Management Committee on items that are not on the agenda that are within the jurisdiction of MAG, or non-action agenda items that are on the agenda for discussion or information only. Vice Chair Dolan noted that those wishing to comment on agenda items posted for action will be provided the opportunity at the time the item is heard. Public comments have a three minute time limit and there is a timer to help the public with their presentations. Vice Chair Dolan stated that for members of the audience who wish to speak, comment cards were available from the staff.

Vice Chair Dolan recognized public comment from Dianne Barker, who stated that she took the bus to the meeting on this high pollution advisory day. Ms. Barker commented that until particulates reach the size of buckeyes, we will continue to have problems. She expressed that she felt that EPA was not providing sufficient support to the region on air quality problems. Ms. Barker mentioned that EPA is involved in a lawsuit on eight-hour ozone. Ms. Barker expressed that she hoped that more support would be found for different modes that would decrease air pollution. Ms. Barker offered clarification on her comments regarding bonding at last month's Management Committee meeting. She said that she was not in favor of bonding because it creates debt. Ms. Barker stated that she felt there were other alternatives that governments could implement. Ms. Barker stated that responsible parties need to pay their share. She stated that some of the cost should fall on bidding agents when there are multiple change orders. Ms. Barker noted that the JLBC website shows the indebtedness of cities and towns and Phoenix has the largest debt. Vice Chair Dolan thanked Ms. Barker for her comments.

4. Executive Director's Report

Dennis Smith reported that MAG was presented the Distinguished Budget Presentation Award by the Government Finance Officers Association. He noted that this is the highest form of recognition in governmental budgeting.

Mr. Smith reported on the Loop 202/Santan Freeway opening on December 17, 2005, which was attended by more than 10,000 people. He said that a 2.7 mile section of the Loop 202/Santan Freeway from Arizona Avenue to Gilbert Road in Chandler was opened.

Mr. Smith stated that MAG will staff a booth at the Martin Luther King Cultural Celebration Monday, January 16, 2006 from 8:00 a.m. to 4:00 p.m. at Margaret T. Hance Park

Mr. Smith introduced the new Administrator for the MAG 9-1-1 System, Liz Hunt, from the Phoenix Fire Department. He noted that Ms. Hunt was formerly the manager of the MAG Community Emergency Notification System.

Mr. Smith introduced new MAG staff. Nagesh Krishnarajanagar is an Air Quality Engineer II. Wang Zhang is a Transportation Engineer II. Kyunghwi Jeon is a Transportation Engineer II.

Mr. Smith mentioned the 25th Anniversary edition of the *Business Journal* that included a list of the most significant news stories for the Valley in the past 25 years, including the Palo Verde Nuclear Plant, the Central Arizona Project, the increased presence of the university, the Groundwater Act, America West Airlines as the hometown airline, and the economic bust of the 1980s. Mr. Smith noted that the buildup of freeway infrastructure was rated as the most significant business news story. Vice Chair Dolan thanked Mr. Smith for his report. No comments from the Committee were noted.

5. Approval of Consent Agenda

Vice Chair Dolan stated that public comment would be heard before action was taken on the consent items. Each speaker is provided with a total of three minutes to comment on the consent agenda. After hearing public comments, any member of the Committee can request that an item be removed from the consent agenda and considered individually. Vice Chair Dolan stated that agenda items #5A, #5B, #5C, #5D, #5E, #5F, #5G, #5H, #5I, #5J, #5K, and #5L were on the consent agenda, item #5M having been removed. No public comment cards were turned in.

Mr. Pickering moved to recommend approval of consent agenda items #5A, #5B, #5C, #5E, #5F, #5G, #5H, #5I, #5J, #5K, and #5L. Mr. Fooks seconded, and the motion carried unanimously.

5A. Approval of November 9, 2005 Meeting Minutes

The Management Committee, by consent, approved the November 9, 2005 meeting minutes.

5B. MAG Vehicle Occupancy Study Consultant Selection

The Management Committee, by consent, recommended that United Civil Group Corp. be selected to conduct the MAG Vehicle Occupancy Study for an amount not to exceed \$170,000. The FY 2006 MAG Unified Planning Work Program and Annual Budget includes \$170,000 to conduct the Vehicle Occupancy Study. The auto occupancy data resulting from the study will be used to calibrate the mode choice model in order to produce accurate high occupancy vehicle estimates. A request for proposals was advertised and one response was received. A multi agency evaluation team reviewed the proposal, interviewed the consultant, and recommended to MAG the selection of United Civil Group Corp. to conduct the project for an amount not to exceed \$170,000.

5C. 2006 MAG Freeway Level of Service Study Consultant Study

The Management Committee, by consent, recommended that Skycomp, Inc. be selected to conduct the 2006 MAG Freeway Level of Service Study for an amount not to exceed \$120,000. The FY 2006 MAG Unified Planning Work Program and Annual Budget includes \$120,000 to conduct the 2006 MAG Freeway Level of Service (LOS) Study. By using aerial survey

technology, this study will update information on freeway traffic conditions and evaluate freeway LOS in the MAG urbanized area. The information from this study will be used to help identify freeway bottlenecks and to help prioritize improvement projects. A request for proposals was advertised and one response was received. A multi-agency proposal evaluation team reviewed the proposal, interviewed the consultant, and recommended to MAG the selection of Skycomp, Inc. to conduct the project for an amount not to exceed \$120,000.

5D. Recommendation of Projects for MAG Federal Funding in FY 2011 of the FY 2007-2011 MAG Transportation Improvement Program (TIP) - the MAG Federally Funded Program

The Management Committee, by consent, recommended approval of the projects for CMAQ discretionary funding in FY 2011 and to include those projects in the Draft FY 2007-2011 MAG Transportation Improvement Program for public review and comment. The MAG Regional Transportation Plan (RTP) targets all future MAG Federal Funds to specific modes and, in some cases, identifies specific projects for the funds. For ITS, Bicycle, Pedestrian and Air Quality projects, the RTP identified funds, but did not specify individual projects. Requests for projects for MAG Federal Funds expected to be available for FY 2011 have been received, ranked by modal technical advisory committees and those rankings were reviewed by the Transportation Review Committee (TRC) on December 8, 2005. The approved projects from these modes will be combined with other recommendations for the life cycle programs for freeways, arterials and transit, to form a MAG Federally Funded program. This program will then be added to the regionally funded components of the freeway, arterial and transit life cycle programs, projects from the state highway program and any locally/privately funded projects being submitted for inclusion in the TIP to form the draft TIP (Listing of Projects).

5E. Commuter Rail Update Study – Formation of Stakeholder Group

The Management Committee, by consent, recommended that MAG form a commuter rail stakeholders group to assist in the preparation of a draft scope of work for a commuter rail study. In 2003, MAG completed the High Capacity Transit Study that examined commuter rail, bus rapid transit, light rail, and express bus service for the region. The 2003 Regional Transportation Plan included a \$5 million allocation over the 20-year period of the sales tax for commuter rail implementation work. Since that time, fuel costs have risen substantially which has raised the interest in commuter rail in the region. In addition, a number of changes to the rail operations have been made or are being planned since the 2003 High Capacity Transit Study. MAG is proposing that a stakeholder group be formed to provide input on a scope of work for a consultant study to update the commuter rail portion of the previous study. The proposed study would be coordinated with a parallel study being proposed by ADOT that will inventory and evaluate the rail infrastructure across the state with a particular emphasis on freight operations. The rail inventory information for the MAG region from the ADOT study would be used as input into the MAG Commuter Rail Study.

5F. Changes to the Approved June 29, 2005 Arterial Life Cycle Program (ALCP) Policies and Procedures

The Management Committee, by consent, recommended approval of the proposed changes to the approved June 29, 2005 Arterial Life Cycle Program (ALCP) Policies and Procedures. Since the approval of the ALCP Policies and Procedures in June 2005, the development of the project agreement and other aspects of the ALCP implementation process has proceeded. During this time, a number of minor changes to the Policies and Procedures were suggested to clarify and refine them to improve the administration of the ALCP. The proposed changes have been discussed with MAG member agencies during the development of the other elements of the ALCP. The MAG Transportation Review Committee recommended approval of the changes.

5G. Draft MAG 208 Water Quality Management Plan Amendment for the Expansion of the Town of Buckeye Sundance Wastewater Treatment Plant

The Management Committee, by consent, recommended approval of the Draft MAG 208 Water Quality Management Plan Amendment for the Expansion of the Town of Buckeye Sundance Wastewater Treatment Plant. The Town of Buckeye has requested that MAG amend the 208 Water Quality Management Plan to include the expansion of the Sundance Wastewater Treatment Plant. The plant is identified in the current MAG 208 Plan for a capacity of 3.6 million gallons per day (mgd). The expansion would increase ultimate capacity to 8.9 mgd. Reclaimed water from the expanded facility would be disposed of through reuse, recharge, and an Arizona Pollutant Discharge Elimination System Permit discharge to the Buckeye Irrigation District Canal. The cities of Glendale and Goodyear and unincorporated Maricopa County are within three miles of the project, and all have indicated that they do not object to the facility expansion. A public hearing on the draft amendment was conducted on December 13, 2005. Following the hearing, the MAG Water Quality Advisory Committee unanimously recommended approval of the Draft 208 Plan Amendment.

5H. Amendment to the FY 2007 Public Safety Answering Point (PSAP) Annual Element/Funding Request and FY 2007-2011 Equipment Program for the MAG 9-1-1 System

The Management Committee, by consent, recommended approval of the Amendment to the FY 2007 PSAP Annual Element/Funding Request and FY 2007-2011 Equipment Program to include upgrades to the computerized telephone 9-1-1 systems at the El Mirage Police Department for \$118,300, the Glendale Police Department for \$441,000, the Mesa Police Department for \$804,000, and the Tempe Police Department for \$441,000, and a Positron MIS tool for the MAG 9-1-1 Office for \$45,000. On September 28, 2005, the MAG Regional Council approved the MAG FY 2007 PSAP Annual Element/Funding Request and FY 2007-2011 Equipment Program. Since approval, it has become necessary to amend the budget to allow for equipment upgrades at the El Mirage, Glendale, Mesa, and Tempe Police Departments and for call reporting equipment at the MAG 9-1-1 Office. These equipment costs are currently paid by the 9-1-1 state excise tax. The MAG PSAP Managers and the MAG 9-1-1 Oversight Team recommended approval of the Amendment.

5I. Approval of the Report on the Need for Increased Domestic Violence Shelter in the MAG Region

The Management Committee, by consent, recommended acceptance of the Report on the Need for Domestic Violence Shelter in the MAG Region. The MAG Regional Domestic Violence Council, through the Victim Services Subcommittee, has produced a report on the unduplicated need for shelter beds to serve current domestic violence victims in the MAG Region. The Council determined that 325 more beds are needed by researching data from local service providers and conducting a statistically reliable study in all nine domestic violence shelters in the MAG Region. This effort was undertaken in partnership with Arizona State University's Partnership for Community Development.

5J. MAG Continuum of Care Regional Committee on Homelessness Guidelines

The Management Committee, by consent, recommended approval of the MAG Continuum of Care Regional Committee on Homelessness Guidelines. The MAG Continuum of Care Regional Committee on Homelessness has produced committee guidelines to add structure and formality to the Committee. Development of the guidelines began in 2002 by MAG staff and has recently been modified. The Committee reached consensus on the guidelines at the November 17, 2005 meeting.

5K. Status Report on 2005 Census Survey

The data collection phase of the 2005 Census Survey is now complete and the local census office is closed. The Census Bureau is now in the data capture and processing phase and results will be received in Spring 2006. These results will be used to distribute billions of dollars in state-shared revenues to cities and towns, Maricopa County, and Indian communities within the MAG region from 2006 to 2011. At the November 9, 2005 Management Committee meeting, staff gave an update on the status of 2005 Census Survey activities, return rates of the census questionnaire and a review of costs of the survey. An update on the 2005 Census Survey is provided below. Status of 2005 Census Survey Activities: All field work for the 2005 Census Survey is complete. The data capturing and processing phase includes completing the check-in and keying of paper questionnaires, performing quality control and assurance checks, matching the data against the master sample file, and making adjustments for nonresponse in the weighting and estimation process. Processing also includes applying factors to each enumerated housing unit to account for addresses not enumerated. The Census Bureau will have preliminary numbers for each member agency to review in Spring 2006. Costs: The cost for the 2005 Census Survey and count of population in group quarters has been estimated at \$7.7 million. The Federal Highway Administration (FHWA) has authorized the use of FHWA funds to cover a portion of the estimated cost, while the remaining estimated cost will be incurred by MAG member agencies. The Census Bureau final costs will be based upon total expenses incurred by the Census Bureau and will be determined in 2006. In addition to costs paid to the Census Bureau, other costs have been incurred, including the regionwide media campaign (estimated at \$230,000) and the setup and maintenance of the local census office (estimated at \$170,000). MAG will be working with FHWA regarding sharing the total cost of the census, estimated at \$8.1 million. This item was on the agenda for information and discussion.

5L. Discussion of the Development of the FY 2007 MAG Unified Planning Work Program and Annual Budget

Each year, the Unified Planning Work Program and Annual Budget is developed in conjunction with member agency and public input. The Work Program is reviewed each year by the federal agencies in the spring and approved by the Regional Council in May. This overview of MAG's draft Dues and Assessments and the proposed budget production timeline provides an opportunity for early input into the development of the Work Program and Budget. The population numbers used in the draft Dues and Assessments calculation are described in footnote (a). The most current approved population numbers are for FY 2004. We anticipate that the census for 2005 will be ready in May or June 2006 and that these population numbers will be used for the final draft Dues and Assessments calculation. The Solid Waste Planning Assessment discussed in footnote (b) remains unchanged from FY 2006 at \$10,000 with no anticipated additional program activity for Solid Waste Planning during FY 2007. The information in footnotes (c), (d) and (f) remains the same from prior years and describes the calculations for the 9-1-1 Planning Assessment, the Homeless Prevention Assessment and the Maricopa County portion of the population calculation, respectively. Last year an option to establish a minimum level for the draft Dues and Assessments of \$350 was presented and approved, and this is described in footnote (e). The same minimum level of \$350 was used in the calculations and affects one entity for FY 2007. The Dues and Assessments reflect the standard increase, which is based on the inflationary factor used by the Arizona Department of Transportation. The inflationary adjustment is estimated to be seven percent for FY 2007. This percentage will be finalized at the end of January. This item was on the agenda for input on the development of the FY 2007 MAG Unified Planning Work Program and Annual Budget.

5M. Status Update on the June 30, 2005 Single Audit and Management Letter Comments, MAG's Comprehensive Annual Financial Report (CAFR) and OMB Circular A-133 Reports (i.e., "Single Audit") for the Fiscal Year Ended June 30, 2005

This item was removed from the agenda.

6. Update on Construction Costs and Possible Impact on the ADOT Life Cycle Program

Eric Anderson reported on how cost increases and labor and commodity shortages were affecting construction costs in the region. He stated that a white paper on this topic, written by Associated General Contractors of Arizona, was at each place. Mr. Anderson stated that MAG sponsored a Challenge of Construction Forum on January 6, 2006 to bring stakeholders together and develop strategies to mitigate impacts.

Mr. Anderson stated that there is a high level of construction activity in the region and the state, including housing, commercial, and a record highway program. Mr. Anderson stated that construction costs for ADOT projects have increased 20 percent to 50 percent over the past year. He said that the region has seen tremendous commodity price increases and shortages, especially cement. Mr. Anderson stated that the region is in an unprecedented high level of volatility with a high level of uncertainty. He indicated that this has caused a cooling of the bid market, with

fewer bidders and higher bids for public sector projects. Mr. Anderson noted that the price of cement increased from \$100 per ton in August to \$180 per ton in the latest bid.

Mr. Anderson stated that the program estimate for the Red Mountain Freeway: Power to University segment was \$144 million. This estimate was revised to \$213 million, an increase of 48 percent. Mr. Anderson stated that one recent bid came in 63 percent over the estimate. He commented that these cost increases are also impacting school, housing, and commercial construction. Mr. Anderson stated that the Forum was attended by approximately 250 people, about half public sector and half private sector.

Mr. Anderson then addressed commodity issues. He stated that the United States is a net importer of cement and is facing issues—shortages of shipping containers, and limited port and rail capacity. Mr. Anderson noted that 99 percent of rail cars are being utilized. Mr. Anderson stated that Arizona produces 50 to 75 percent of state demand and the remainder needs to be imported. He said that the two cement production plants in Arizona produce 2.8 million tons per year, but up to 4.5 million tons per year are needed. Mr. Anderson noted that production capacity and expansion are limited by permitting and environmental issues, mining leases for limestone, and transportation capacity. He advised that the price for cement has more than doubled and projects are being delayed because of a lack of cement. Mr. Anderson stated that gravel pits, the source of aggregate that is used in the manufacture of cement, are moving out of urban areas, so this is increasing transportation costs. Added to this are environmental regulations because the region has PM-10 problems.

Mr. Anderson stated that the labor shortage is a concern across all occupations, not just construction. He noted that the construction industry has a turnover rate of 40 percent. Mr. Anderson stated that a lack of apprenticeship and training programs in Arizona makes it difficult to maintain a level of qualified workers. In addition, there is a lack of management talent, which limits the ability of the construction industry to expand.

Mr. Anderson stated that the permitting process is a hindrance to expanding capacity. There is greater uncertainty and as a result, bids are increased to cover risk or fewer bids are submitted if the risk too high. With material shortages, prices are higher, schedules are uncertain, productivity is reduced, and the contractors face liquidated damages for delays. He commented that failing to meet the schedule as a result of a supply shortage does not relieve the contractor from possible monetary penalties for not meeting the current schedule. Labor shortages result in higher wages, reduced productivity, and longer production schedules. He stated that the reduction in truck driving hours has impacted the excavation portion of road building.

Mr. Anderson summarized the solutions given by attendees at the Challenge of Construction Forum. He noted that there was no silver bullet to solve the problems. Mr. Anderson stated that one solution was updating contract provisions so there will be more risk sharing for cost and schedule changes; review material specifications that might be unnecessary; deal with cement shortage by relief of the tariff on Mexican cement; negotiate supply agreements; modify liquidated damages clause in contracts; market regional and state construction activity nationally to expand the pool of bidders; and Life Cycle Program Management to provide a good understanding of the status of the Program. Mr. Anderson advised that it looks like we will have



to delay \$150 million in projects and staff is working with ADOT to develop recommendations on this.

7. Particulate Pollution Update

Lindy Bauer reported that in recent weeks, this region has experienced high readings at two of the PM-10 monitor sites. She said that although these readings will need to be checked by Maricopa County air quality personnel, it appears that MAG will need to initiate the preparation of a Five Percent Plan for submission to EPA by December 31, 2007. Ms. Bauer advised that every monitor in the nonattainment area must be clean in 2006, 2007 and 2008 in order for the region to attain the standard by 2008.

Ms. Bauer noted that the Maricopa County Air Quality Department has hired seven more inspectors, leaving three positions left to fill. Ms. Bauer stated that *The Arizona Republic* reported that EPA Representative Colleen McKaughan felt that with better compliance, the MAG region could have attained the PM-10 standard. Ms. Bauer reviewed the tentative schedule for the PM-10 Five Percent Plan and a sanctions timeline if the issues are not corrected within 18 months and within 24 months. She advised that EPA can impose these sanctions earlier if they wish.

Ms. Bauer stated that the EPA proposed new particulate standards, including a stricter fine particulate standard, a new coarse particulate standard, revoking the 24-hour PM-10 standard except in areas with violating monitors and a population of 100,000 or more. Ms. Bauer stated that representatives from Phoenix, the County, and MAG met to increase dust control efforts in hotspot areas. She updated the Committee on recent actions taken, including observations at the monitors by ADEQ, Maricopa County, and MAG, installing "No Parking" signs, transmitting the Peoria city ordinance to member agencies, holding a model dust control ordinance workshop, providing information to industries, and inquiries on agricultural measures. Vice Chair Dolan thanked Ms. Bauer for her report and asked members if they had questions.

Mr. Cleveland, who is Chair of the MAG Air Quality Technical Advisory Committee, expressed his disappointment over not reaching the PM-10 standard with only two months to go. He commented that each community worked hard to implement solutions to attain this goal. He asked if staff had researched what new measures might be implemented. Ms. Bauer replied that it remains to be seen which specific measures might be implemented. She advised that the Clean Air Act says the five percent reduction must be based on the most recent emissions inventory, which still needs to be done by the County. Ms. Bauer added that it would be important to ensure the existing measures were being implemented adequately. She stated that staff would be reviewing the Clark County and San Joaquin plans and the Salt River SIP Revision to see if they contained measures that could be useful. Ms. Bauer also noted the benefits received from paving unpaved roads in the Serious Area Plan for PM-10. For example, 340.9 miles of paving unpaved roads at a cost of \$150 million to \$300 million (before cost increases) resulted in a 5.8 percent reduction. Mr. Cleveland stated that it might be worthwhile to visit Clark County, which has been very successful with its air quality program.

David Smith stated that the Director of the Air Quality Department, Bob Kard, was present if members had any questions. Mr. Smith commented that some of industries that are fined look upon it as just a cost of doing business and add it to the cost of the product. He indicated that he did not know if every enterprise was taking this as seriously as they need to. Mr. Smith stated that the County will train industry as much as possible. He added that not all the positions have been filled in the Air Quality Department because industry has been hiring them away so they can comply. Mr. Smith commented that we will need a cooperative effort across the board to convey that any pollution is bad. Until we get to the public ethic on that, the County could keep hiring endlessly and we will not be successful. Mr. Smith stated that we will get closer to the EPA guidelines as the County and entities work to augment the anti-dust ethic. He stated that this is not just an exercise, but has a public health dimension we should be concerned about. Vice Chair Dolan commented that she looked forward to more information as the plan develops.

8. Homeless Planning Strategies

David Smith reported that the Human Services Campus opened in December 2005. He stated that the goal for funding construction of the Campus was 50 percent private and 50 percent public. This ended up with the private sector funding \$13 million and the public sector funding \$9 million. Mr. Smith stated that at the December meeting, \$1 million was requested from member agencies to pay off the capital. Mr. Smith stated that since the presentation, additional ideas have been discussed to create a fund that is not dependent on state and local government funds, in order to build affordable, supportive housing for families. Mr. Smith stated that a potential source could include Industrial Development Authorities (IDAs). He said that the County IDA recently provided Habitat for Humanity with a loan in the amount of \$1.5 million to build 32 residences at Baseline and 12th Street. He indicated that the County IDA has a \$12 million funding balance that can be used for mixed use development, such as the Hope Six development at 7th Avenue and Sherman.

David Smith stated that Maricopa County recently entered into a contract with Front Row Marketing to provide municipal marketing services to analyze and develop revenue streams. Mr. Smith commented that Maricopa County could realize \$9 to \$11 million from the sale of naming rights and utilization of vacant Maricopa County land parcels. He stated that revenue could also be generated from pouring rights, vehicle and park trail signage, and clothing.

He stated that member agencies could partner on the contract with Front Row Marketing; however, they could choose to make a contribution. Mr. Smith stated that this way, jurisdictions would not need to dip into regular revenue, the VLT, etc., and it would be politically acceptable to the wider community. Mr. Smith said that their idea was to do a 50/50 split into the fund to support a funding stream. He stated that existing delivery mechanisms through IDAs and housing departments could be used to bring more projects to fruition so homeless shelters and services do not become bottlenecks, but gateways. Vice Chair Dolan noted that no action on this item was proposed by the Committee. Dennis Smith noted that this item would be on the Regional Council agenda and the Committee may want to brief their elected officials.

9. Local Government Partnership to Address Crime Prevention

David Smith reported on preventing crime in Maricopa County. He explained that with the increasing costs in the criminal justice system, Maricopa County is exploring the possibility of working with local government stakeholders to cooperatively address crime prevention efforts. Mr. Smith stated that the one-fifth cent sales tax approved by voters in 1998 allows for capital building projects associated with criminal justice. Mr. Smith stated that the costs are staggering, not only for the County, but for each community. He stated that there are a number of programs already, and the County is interested in discussing various strategies with each community to expand and enhance those programs. Mr. Smith stated that the County is requesting assistance in the implementation of a task force to develop crime prevention programs and alternative strategies. Vice Chair Dolan asked members if they had comments on the creation of a stakeholders group.

Mr. Cleveland stated that the City of Goodyear would be interested in participating. He remarked that crime prevention is a less expensive solution. Mr. Cleveland stated that crime is like air quality—it knows no boundaries. This is an effort that needs to be worked on collectively. Mr. Cleveland stated that the alternative to prevention is building bigger jails, which impacts taxes.

Vice Chair Dolan asked if the stakeholders would be organized through MAG or the County. Dennis Smith stated that MAG could host the meetings at MAG and the County would staff the meetings. Vice Chair Dolan stated that Scottsdale would be interested in participating in the stakeholders group. She stated that if there were no objections, MAG could organize meetings and invite the member agencies. Dennis Smith stated that the memorandum would be sent to the managers and they would disperse it to appropriate staff.

10. Phoenix Urban Area Security Initiative Weapons of Mass Destruction Tabletop Exercise Series

Jim Bailey, EG&G Technical Services, provided a report on the Phoenix Urban Area Security Initiative Weapons of Mass Destruction Tabletop Exercise Series that will be conducted throughout the Urban Area during 2006. He said that his firm was hired for this program in Region II that includes Southern California, Arizona, and New Mexico. Mr. Bailey then gave an overview of the exercise series that includes seven high-explosive tabletop exercises that will be conducted throughout the Urban Area from April to July 2006. He noted that similar programs have been conducted in San Diego and Anaheim.

Mr. Bailey stated that in the series, participants will be taken through the entire spectrum of an attack. He stated that the goals of the series are to evaluate exercise participant knowledge, understanding, and adequacy of their plans, policies, and procedures to respond to a threat level increase in the Homeland Security Advisory System; assess exercise participant knowledge and understanding of the plans, policies, and procedures in place to manage the emergency response to a terrorist attack within their jurisdiction; assess exercise participant knowledge and understanding of the plans, policies, procedures, and resources available to provide victim care in response to a terrorist incident; and assess exercise participant knowledge, understanding, and the utility of any plans, policies, procedures and resources in place to assist the Urban Area cities

in recovering from a terrorist incident. Mr. Bailey then explained the structure and timeline of the tabletop exercise. Vice Chair Dolan thanked Mr. Bailey for his report and asked members if they had questions.

Alfonso Rodriguez asked how the risk assessment for each area was addressed. Mr. Bailey replied that some jurisdictions desire to be ground zero for the exercise. In that case, they will be asked to designate critical infrastructure or target, which becomes the attack venue. Mr. Bailey stated that Petco Park in San Diego and Knott's Berry Farm in Orange County were ground zero in previous exercises.

11. Comments from the Committee

An opportunity will be provided for Management Committee members to present a brief summary of current events. The Management Committee is not allowed to propose, discuss, deliberate or take action at the meeting on any matter in the summary, unless the specific matter is properly noticed for legal action.

Mr. Rumpeltes extended his compliments to Dennis Smith and MAG staff for the Construction Forum. He said that it was not only timely, but was attended by more than 200 people having a dialogue. Mr. Rumpeltes commented that it was trendsetting as there had not been an event like that before. Mr. Smith thanked Chandler Channel 11 for filming the event and Phoenix Transit, the City of Scottsdale, and Gunn Communications for lending the electronic keypads.

Mr. Pettit thanked David Smith and staff for their support on the process to educate residents on options for emergency management on county islands.

There being no further business, the meeting adjourned at 1:35 p.m.

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Chairman

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Secretary